



# ANNUAL REPORT

For the Year Ended  
December 30, 1933



424 NORTH NINETEENTH STREET

PHILADELPHIA, PA.

OFFICE OF THE PRESIDENT

*To the Stockholders of  
American Stores Company:*

The net earnings of your Company for the year ended December 30, 1933, amounted to \$4,197,707 or \$5.22 per share on 1,301,870 shares of common stock outstanding in the hands of the public at the end of the year. This compares with \$4,313,839 or \$3.31 per share on 1,302,870 shares for the year 1932.

The volume of sales amounted to \$109,387,150 as compared with \$115,453,529 for the preceding year. The decrease in sales is due entirely to lower food prices. At the end of the year 1933, we had in operation 2,882 stores as against 2,977 at December 31, 1932. Following the policy adopted a few years ago, some of the smaller stores in the same neighborhoods have been closed and replaced by one large modern market in more favorable locations. The greater facilities of these new stores, carrying a more widely diversified line of products than the smaller units, have been favorably received by the public.

The Company is in a strong financial position. Inventories and commitments are at favorable price levels.

In conformity with resolutions adopted at the Annual Stockholders' Meeting held on March 15, 1933, 100,000 shares of common stock were retired and cancelled. The paid-in capital of the Company was thereby reduced by \$1,383,868 and earned surplus in the sum of \$2,186,064. During the year 1,000 shares of common stock were purchased in the open market.

Since the enactment of the National Industrial Recovery Act, your Company has been co-operating in the Government's Recovery Program. With increased employment and a general improvement in industrial conditions, the outlook is more encouraging than it has been for a few years.

The Board of Directors wishes to express its appreciation of the loyalty and efforts of all employees during the year.

February 28, 1934.

A large, stylized handwritten signature in dark ink, likely belonging to the President of the company.

*President.*

# AMERICAN STORES COMPANY

and Subsidiary Companies

## Consolidated Balance Sheet

December 30, 1933

### ASSETS

#### Current Assets

Cash.....	\$ 3,272,362.36
U.S. Government and Other Marketable Securities—at cost less reserve (Market Value \$2,947,588.32)	2,886,655.42
Due from Relief Agencies .....	933,572.11
Accounts Receivable.....	195,375.00
Inventories—at cost or market, whichever was lower .....	11,631,621.11
Accrued Interest Receivable .....	30,482.63
Total Current Assets.....	18,950,068.63

Loans to Employees—secured by common stock of company .....	730,678.77
Treasury Stock—98,130 shares common stock.....	3,500,951.51
Balances in closed and restricted banks—less reserve.....	113,078.14

#### Fixed Assets

Warehouses, Store Properties, Bakeries, Canneries, Garages, Stables, etc.—at cost .....	\$ 21,176,017.32	
Less: Reserve for Depreciation .....	8,657,215.38	12,518,801.94

Goodwill.....	1.00
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Deferred Charges.....	271,482.55
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\$ 36,085,062.54

### LIABILITIES

#### Current Liabilities

Accounts Payable and Accrued Charges.....	\$ 2,099,648.64
Dividend Payable.....	651,035.00
Reserve for Federal and State Taxes .....	735,342.62
Total Current Liabilities.....	3,486,026.26

Operating Reserves.....	115,000.00
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#### Capital and Surplus

Common Stock—no par value 1,500,000 shares authorized 1,400,000 shares issued and outstanding..	\$ 19,374,156.46
Earned Surplus.....	13,109,879.82
	<u>32,484,036.28</u>
	<u>\$ 36,085,062.54</u>

# AMERICAN STORES COMPANY

and Subsidiary Companies

## Statement of Consolidated Income and Surplus for the Year Ended December 30, 1933

### INCOME ACCOUNT

Sales.....		\$109,387,150.96
Cost of Merchandise Sold.....		<u>83,699,401.72</u>
Gross Profit.....		25,687,749.24
Wages, Rents, Operating and Administrative Expenses.....	\$ 19,784,042.02	
Pennsylvania Sales Tax.....	103,351.60	
Depreciation.....	<u>1,050,994.71</u>	20,938,388.53
Profit from Operations.....		4,749,360.71
Other Income.....		<u>185,468.11</u>
Net Profit before Federal Taxes.....		4,934,828.82
Reserve for Federal Taxes.....		<u>737,121.00</u>
Net Income.....	\$	<u><u>4,197,707.82</u></u>

### EARNED SURPLUS

Balance—December 31, 1932.....		\$ 14,353,711.79
Net Income for year 1933.....		<u>4,197,707.82</u>
Less:		18,551,419.61
Dividends on Common Stock.....	\$ 2,255,475.00	
Excess of cost over average paid-in value of 100,000 shares of Common Stock retired and cancelled.....	<u>2,186,064.79</u>	5,441,539.79
Balance—December 30, 1933.....	\$	<u><u>13,109,879.82</u></u>

NEW YORK, N. Y.  
CHICAGO, ILL.  
BOSTON, MASS.  
PHILADELPHIA, PA.  
SAN FRANCISCO, CAL.  
LOS ANGELES, CAL.  
UTICA, N. Y.  
DALLAS, TEX.  
HOUSTON, TEX.  
DETROIT, MICH.  
CLEVELAND, OHIO.  
ST. LOUIS, MO.  
BALTIMORE, MD.  
PORTLAND, OREG.  
SEATTLE, WASH.  
MONTREAL, CANADA  
TORONTO, CANADA  
WINNIPEG, CANADA  
MEXICO CITY, MEX.

# BARROW, WADE, GUTHRIE & CO.

(ESTABLISHED 1883)

## ACCOUNTANTS AND AUDITORS

GIRARD TRUST BUILDING  
SOUTH PENN SQUARE  
PHILADELPHIA, PA.

LONDON, ENGLAND  
MANCHESTER, ENGLAND  
LIVERPOOL, ENGLAND  
NEWCASTLE, ENGLAND  
GLASGOW, SCOTLAND  
DUNDEE, SCOTLAND  
MELBOURNE, AUSTRALIA  
SYDNEY, AUSTRALIA  
BUENOS AIRES, ARGENTINE  
RIO DE JANEIRO, BRAZIL  
PARA, BRAZIL  
SAO PAULO, BRAZIL  
PARIS, FRANCE  
BERLIN, GERMANY  
HAMBURG, GERMANY  
ANTWERP, BELGIUM  
CAPE TOWN, SOUTH AFRICA

To the Board of Directors,  
American Stores Company,  
Philadelphia, Pa.

We have made an examination of the consolidated balance sheet of American Stores Company as at December 30, 1933, and of the statement of consolidated income and surplus for the year 1933. In connection therewith, we examined or tested accounting and other corporate records of the Company and its wholly owned Subsidiary Companies and obtained information and explanations from officers and employees of the Companies; we also made a general review of the accounting methods and of the operating and income accounts for the year, but we did not make a detailed audit of the transactions.

In our opinion, based upon such examination, the accompanying consolidated balance sheet and related statement of income and surplus fairly present, in accordance with accepted principles of accounting consistently followed by the Companies, the financial position at December 30, 1933, and the results of the operations for the year.

BARROW, WADE, GUTHRIE & CO.

Philadelphia, Pa.  
February 26, 1934.

# *American Stores Company*

## OFFICERS

President.....	Samuel Robinson
Vice-President.....	Robert H. Crawford
Vice-President and General Manager.....	James K. Robinson
Vice-President and Treasurer.....	Wm. M. M. Robinson
Secretary.....	E. J. Flanigan
Assistant Treasurer.....	Wm. Gould
Assistant Secretary.....	J. V. Keers

## DIRECTORS

Samuel Robinson	James K. Robinson
Robert H. Crawford	Wm. M. M. Robinson
John Eagleson	Joseph Gilfillan
E. J. Flanigan	William Park
John M. Hancock	